

Andrew Jackson to Cabinet, September 18, 1833, from Correspondence of Andrew Jackson. Edited by John Spencer Bassett.

PAPER READ TO THE CABINET.1

1 Draft. It is known that while at the Rip Raps from July 27 to Aug. 22, 1833, Jackson dictated a statement of his reasons for removing the deposits. The paper was sent to Taney, who rewrote it (Van Buren's *Autobiography*, p. 608). The paper given here is in the handwriting of A. J. Donelson, Jackson's secretary, with corrections in Jackson's handwriting. It seems to be the draft made at the Rip Raps, and is interesting as showing the unrevised ideas of the President. The paper, as revised and actually read, was published in many newspapers and is in Richardson's *Messages of the Presidents*, III. 5–19. A copy, also in Donelson's handwriting, is in the Jackson MSS., with the introductory note used by the *Globe*, in the handwriting of Taney.

September 18, 1833.

The President thinks it due to those connected with him in the administration of the Executive Branch of the Government to state, without reserve and in a durable form, the principle facts and inferences upon which his opinions in regard to the discontinuance of the public deposits in the Bank of the United States are founded. By so doing he will protect his motives from present misconception and future misrepresentation, at the same time he will be following the dictates of that spirit of frankness which has heretofore characterised his intercourse with the members of his cabinet and which has so uniformly resulted in obtaining for the leading acts of the administration their united concurrence and support.

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He therefore now submits to his Cabinet a correspondence on the subject of the deposits which has taken place between him and the Secretary of the Treasury, the officer more directly charged with this branch of the public service. The President has made it his business to subject the views expressed by him in this correspondence to a critical and rigid review and finds himself still more thoroughly confirmed in the conviction of their correctness. In doing so however the subsequent reflection which a deep sense of their importance has induced him to bestow upon them has been productive of some other results which he will also submit even at the expense of repeating some of the reasons which he has already urged in support of the course he has pursued on the subject.

In the papers he has already submitted, the President has distinctly stated his convictions in regard to the want of authority in Congress to establish a Bank out of the District of Columbia, to the obligation resting upon the Executive Branch of the Government to exercise the power reserved to it by the charter in seasonably providing a substitute for the fiscal agency performed for the Government by the present Bank, and in conclusion that in view of all the circumstances the present is a proper time for the performance of that duty.

The general question has heretofore been affected by, and is again exposed to, an adverse influence arising from considerations which the President believes to be unsound, and upon which he feels it his duty to bestow at least a passing observation. That a resort to measures for which no warrant is to be found in the constitution ought never to be thought of, much less excused, except in those extreme emergencies when the public safety can in no other way be secured, and that no crisis in our affairs does now exist or has heretofore existed which could give this character to the establishment of a national Bank, are positions, to which, considered by themselves, no candid and intelligent mind would refuse its assent. Yet it is true that an overestimate of the importance of such an institution to the welfare of the country has served in many instances to reconcile those who entertained serious doubts upon the question of power to its usurpation; and even in connection with other and equally unsound considerations to secure the acquiescence

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of others who were well satisfied that the bestowment of such authority was not intended by those who framed and the people who adopted the constitution. The President has not been able to bring his mind to any such conclusion. He entertains on the contrary serious doubts whether it be possible to preserve that high degree of purity and simplicity which constitute the only sure foundations of Republican institutions from the corrupting influence of such an incorporation: and he is therefore strongly inclined to the opinion, that, even in the absence of all constitutional difficulty the objections to it arising from this source alone would more than counterbalance all the advantages which might be anticipated from the continuance of that which now exists.

That allegations of the aristocratical tendencies of our institutions, and of their progress, are often thrown out to promote selfish and sinister ends is quite probable: but it is not the less undeniable that such is the inherent vice of every political system, and too much vigilance and self denial cannot be exercised to restrain the sinister aspirations of wealth, and to check the growth of an authority so unfriendly to liberal Government and the just rights of the people. Reason suggests and experience confirms the position that nothing has a stronger tendency to engender an aristocratical spirit, or to sustain it when it has once acquired a foothold in the community, than extensive monied incorporations, with their appendages of exclusive privileges. The divine right of kings and the prerogative authority of rulers, have fallen before the intelligence of the age. Standing armies, and military chieftains can no longer uphold tyranny against the resistance of public opinion. The mass of the people have more to fear from combinations of the wealthy and professional classes—from an aristocracy which thro' the influence of riches and talents, insidiously employed, sometimes succeeds in preventing political institutions however well adjusted, from securing the freedom of the citizen, and in establishing the most odious and oppressive Government under the forms of a free constitution. The history of Great Britain is replete with lessons of instruction upon this point: and we may surely refer to and improve them to our advantage without exposing ourselves to the imputation of a want of courtesy. It is unnecessary to say that it is not in an unfriendly or illiberal spirit

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that they are noticed by the President. The people of England succeeded by means of the Representative principle imperfect as it existed amongst them in revolutionising their Government and circumscribing the prerogative of the crown; and also in bringing under comparative subjection the monarchy supported as it was by a standing army. But the alliance between church and state and the vast power they have again acquired, with the national debt and pauperism which they have produced, shews that corrupt influence is as potent in suppressing the rights of human nature and rendering the great majority of the people miserable as the most unlimited sovereignty concerted in a single individual. We have seen the forms of a free Government concentrated into a mere system of taxation, enabling the higher classes of the community to prey upon the rest and to amass the means of perpetuating their subjection. Taxes distributed among Kings, Lords, Commons, Fund holders and Bankers, in largesses, salaries, pensions and dividends, and returned partially to the community in bribes to secure a House of Commons to carry on the system, is the source of the influence which forms the controlling power of that Government. The Bank of England is the ally of the Government, which by its power over the commercial and middle classes sustains this system in a quarter of society where it would otherwise meet with effectual resistance. The misnamed American system is this British system of corrupt influence in Embryo. A Bank, with power over currency and commerce, over the people and their Representatives—a High Tarrieff to favor particular classes of capitalists and to accumulate revenue to be disbursed in jobs for the benefit of Politicians who shall have obtained controlling stations in the Government—may well be considered as forming a sure lodgement for a dangerous aristocratic influence in this country.

The President has felt it his duty to exert the power with which the confidence of his countrymen has clothed him in attempting to purge the Government of all sinister influences which have been incorporated with its administration. The system of favoritism in behalf of the monied classes masked under an unequal Tariff, in the name of protection; and the system of bargaining which appertained to the distribution of immense public revenues in jobs disguised under the name of internal improvements, have lost their

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hold on the Government. But the most formidable power which has been engrafted in connection with these upon our Republican institutions, and which threatens to overshadow them all retains its place.

The Bank of the United States is in itself a Government which has gradually increased in strength from the day of its establishment. The question between it and the people has become one of power—a question which its adherents do not scruple to avow must ultimately be decided in favor of the Bank. Insulting to the country as this boast is it is not altogether without foundation. The Bank has by degrees obtained almost entire dominion over the circulating medium, and with it, power to increase or diminish the price of property and to levy taxes on the people in the shape of premiums and interest to an amount, only limited by the quantity of paper currency it is enabled to issue. When to this is added the privilege of spreading an official corps over all the states of the Union and to put under their influence, a body of adherents in the debtors of the institution, it is manifest that if its existence is perpetuated, its continually accumulating control must in the end become irresistible. Either in war or peace, a corporation exercising such powers, under the direction of a bold, ambitious, artful presiding officer, who puts the Government at defiance, could at least embarrass, if not entirely defeat the constituted authorities in their efforts to subserve the interests of the people. But the greatest danger from the vast and irresponsible power concentrated in the hands of the President and board of directors is to be apprehended from the possible cooperation of the aristocracy of incorporated wealth with an official aristocracy, which having succeeded in obtaining the administration of public affairs might be disposed to increase and perpetuate its political power. It is the natural instinct of wealth and power to reach after new acquisitions, and to aid each other in removing all the checks and obstacles devised by the caution of enlightened communities to guard against their encroachments. It was to arrest them that our Fathers perilled their lives—to guard against them in all future time was their object in framing the system of Government which they devised for their posterity. It is a sacred duty on the part of those who are called to its administration to carry their intentions into full effect, and the

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President is most anxious that in this respect more particularly no part of his should be left undone.

Brief as has been the career of this Government its history already furnishes examples to confirm the experience of other republics. Usurpation was attempted in its infancy, and the Bank created as the instrument was found to be the ready ally of those who then invaded the principles of the Government: and now that innovations have again been broached, which could only end if successful in the destruction of the confederacy and the establishment of an unchecked and overballanced Government the Bank is found on that side on which by a law of its nature it must always be found—that which serves the few best, and the many worst. Its managers appear to be sensible that the principles of equality which belong to the present constitution fairly interpreted and honestly administered are not compatible with the duration . . . [*page missing*]

cherished for the purity, simplicity, and equality of the original principles of the constitution. But his solicitude that the just powers of the constituted authorities should be immediately interposed to arrest the advances of this corporation, in its improper efforts to perpetuate itself, is greatly increased by the recent exhibitions of its mischeivous faculties.

Upon the same principle that Congress has assumed power to create a corporation with a monopoly of all the Banking privileges which the national Legislature could confer, it might have made it the exclusive fiscal agent of the Treasury—nay more, might have given it the exclusive management of the whole business of the Treasury Department. It might have carried still further this principle of committing to incorporated companies an *exclusive right* to perform the duties of the Executive Department, substituting them for the constitutional functionaries. It might have incorporated a company to take charge of our foreign relations, of the army and the navy; and by conferring upon them a *monopoly* in those agencies for twenty years, a succession of Chief Magistrates elected by the people might have been deprived of all constitutional authority. It is but an exemplification of the right assumed to alienate the powers of Government, and vest them in a corporation for a term of years,

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that in the law establishing the Bank, Congress has engaged not to establish *any other Bank* during the existence of its charter. The national Legislature did not consider that if it be admitted it had power to create one such agent, because considered “*necessary and proper*” to carry into effect the delegated trusts of Government it must also be admitted that every congress has the power to create as many other similar agents, as the circumstances might hereafter show to be “*necessary and proper*” for the same purpose. One congressional body cannot deprive its successors of any right conferred on the Legislative power by the constitution, to create whatever official Agencies may be “necessary and proper” to execute the public business. The provisions, therefore, in the Bank Charter, which goes to extinguish the Legislative power of congress asserted in the very enactment of the Charter, is clearly suicidal.² If congress has power to pass one Bank Charter, it can make many, if many should be found necessary. And the Congress which chartered the Bank, admitted that additional agents of the like kind, might become necessary, by giving authority to the corporation, to create Branch Banks, in the different States in the Union. Thus while the Bank Charter, in violation of the constitutional power assumed by the body passing it, prohibited to every subsequent Congress the right to establish another Bank, it also violated the constitution of the United States, by making a transfer of the Legislative power to a board of Directors, authorizing it to create as many Branch Banks as in its wisdom it should consider “*necessary and proper*” to carry into effect the delegated powers of the General Government.

² In the margin: “quere as to the propriety of this.”

But while the congress which established the Bank, gave it a monopoly of Banking privileges for a term of twenty years, and also a monopoly of the assumed Legislative right to create such other Banks as it might deem “*necessary and proper*” to clothe with national authority, it did not confer on it a paramount and exclusive right to the possession of the public Deposits, nor a power to act as the agent of the Treasury without the consent of the head of the Department. The Public Deposits the Charter expressly declares may be withdrawn, for such reasons as the Secretary of the Treasury shall deem sufficiently

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cogent and “ *at any time he may order and direct*”. In this, the charter reserves to the Executive what it denies to the Legislative Department. Congress excludes itself from the right to make any other Bank, or to deprive the corporation as constituted of any of its attributes for its term of twenty years. But the officer of the Treasury, the Agent of the President, may deprive the Bank of its Government agency; and if it were not so, the managers of the Bank might deny to the Chief Magistrate, the means of administering the Government.

It is fortunate then that congress in resigning so many of its own powers to the Bank beyond recall, did not also concede to it, power over the public finances, beyond control. This would have placed not only the constitutional administration of the Government, but as a consequence the Government itself, at its mercy. But as it is, the express provision of the Bank Charter, in authorizing a withdrawal of the public funds, for such reasons as the Secy. of the Treasury may deem sufficient, admits the right of the public administration, to dispense with the Bank as its agent, and that too, either partially or entirely as it may think best. Whatever funds the Treasury may intrust to the Bank, as the Agent of the Treasury, it may be required to transfer to any point near, or remote. But in the event of a total withdrawal of the public monies, and withholding of them, so that it would not have even a temporary possession of any portion, it is evident, the Bank's Agency would cease; for having nothing intrusted to it, it would have nothing to transfer or to manage.

In this state of the case, what would become of the pretence, upon which the Banks *constitutional* existence alone depends? It is expressly recognized in the Charter of the Bank, that reasons may exist rendering it “ *necessary and proper*” to withdraw from the Bank the public funds, and of course, to dispense with its intervention as a public Agent. But while this admission of the Charter, may deliver the Government and its administration from dependence upon the Bank, it does not relieve the country from its power: And yet the termination of its official Agency as a “ *necessary and proper*” means to effect the legitimate objects of the Government, takes away that *constructive* foundation, which

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forms its only connexion with the Treasury, into the means of making exactions upon the Government.

The late case of the French bill, on the protest of which, the Bank has claimed damages, is a striking instance of the disposition of the Bank, to use the funds it holds from the Government, in committing extortion upon it. The Bank was enabled to purchase this large Bill, only in consequence of the credit and ability, derived from its connexion with the Treasury and the deposits of the public revenues. When the Bank bought this bill from the Secretary of the Treasury (which amounted to nearly a million) it had several millions of the public money in its coffers and a large sum, say upwards of one million, paid into bank on the 6 pr cts, which the U.S. is still bound for, and which the Bank, says, has not been called for. This circumstance enabled it, to purchase the Bill at its own price, because none other was able to buy so large an amount of exchange at once, but that Institution which had the treasures of a nation in its keeping. The Bank, therefore, being without a competitor, that could command funds not its own *and free of all charge* to make so large a purchase, obtained the Bill on its own terms; And it proposed only to pay to the Government, *about par* for funds in Europe, worth between 6 and 8 per cent premium. But failing in this speculation, it immediately asserted, a claim for damages to the Amount of \$ although it, in fact, paid no part of the sum for the payment of which, it demanded the damages. The whole transaction consisted in a merely nominal advance—a transfer of money on the Books, to the credit of the United States, while the Bank retained the possession and the use of it. And in Europe the sum realized by the sale of the Bill to the Barings was sufficient immediately to reimburse the Hottinguers at Paris, for taking it up. The Bank, then sustained no damage. It suffered disappointment only in not realizing a speculation, to the amount of the difference of exchange between this and Europe. It was disappointed in its gains and the relief expected from the possession of the money arising from the French treaty, but it lost nothing by the transaction—a transaction which grew out of the Legislation of the friends of the Institution in congress, and which was calculated to afford it resources, while laboring from the demands for the payment of the 3 per cents.

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The money, for which the Bill was drawn was not wanted by the Government, (which has always had an excess in deposit) but for the Bank which was in difficulty. And yet the Bank charges damages, because the want of punctuality in the French Government, prevented the Treasury from rendering it all the service intended. But the Agent of the Government requites the efforts of the Government made to sustain its credit, not only by a demand for damages, but by attempts to discredit the Government, as unable to pay its Bill, when in fact the proceeds of its sale to the Barings were adequate to meet the advances of the French Bankers, while the Bank in Philadelphia, retained in its own possession, the whole amount of the pretended advance; so that, in truth, no part of the means of the Bank was extended to protect the credit of the Government. The Bank and its Agents, although resting upon the funds of the Government, then in possession, in all their operations to meet the Bill, nevertheless permitted it to be protested to dishonor the drawer and then took it up for the honor of the Bank. This is the fidelity of the Institution created as the Agent of the Government to afford facilities to sustain its credit—an Institution which was saved at the threshold, from impending ruin, by the utmost extension of the resources and credit of the Treasury; and with an immense sacrifice of the profits on its stock, the consequence of the gambling transactions which marked its early mismanagement. It is in this mode, that it makes good the damages sustained by the Government, in the appropriation of nearly a million of the ordinary interest accruing on its stock to cover its first malversations. And this is the gratitude with which the Government is requited, for the immense deposits with which it has continued to support the Institution and which, indeed, have formed throughout its most available capital!!

So in the case of the 3 per cents, the Government was made the victim of the Bank policy. Its purposes were not only thwarted, by the Agent, whose duty it was to carry them into effect, but the Government was actually made to pay, from the means employed by the Bank, to counteract its leading object—the extinction of the National Debt. It is now known, that by the immense loan of upwards of 20 millions in the West to accomplish political aims, the Bank had exhausted its own as well as the means put by the Government

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in its possession. It thus, at a time, when it was well understood, that the policy of the administration, and the expectation of the country, would require the public funds in its keeping to be applied to the payment of the National Debt, directed them to another and sinister purpose. If, as was pretended, the distresses produced by the cholera and the necessity of making loans to merchants to enable them to discharge their custom house Bonds, had been the real motive for this misapplication of public money, it would have found no justification. A public Agent, the creature of the Government, cannot with propriety, exert a right to decide what causes would justify it, in a defeat of the settled purposes of the public authorities, to whom alone the people have entrusted the direction. If this were so, it would be to make the discretion of the subordinate agent, a law for the people and their responsible representatives. But the assumed ground, upon which the managers of the Bank relied, to vindicate a misapplication of the public funds and the disabling the Institution to perform its duties to the Treasury, had no foundation in fact. The cholera did not exist in the country when the exhausting loans were made, nor were facilities extended to the payers of custom house bonds. On the contrary the accommodations to the merchants are found to have been curtailed during the time for which the indulgence was asked; and the extraordinary loans which made the delay necessary, was lavished *previously*, in the Western States, without any obvious inducement, but the approach of a political crisis, of which those states were supposed to be the arbiters. The first postponement, which was solicited under pretence of affording relief to the merchants, was in fact made necessary by the efforts of the Bank, to put down the administration, and when granted by the President, the respite was employed to defeat for a year longer, the accomplishment of the objects of the administration. An agent was sent to England at a considerable expence, to defer the payment of the public Debt, and the Barings were employed, a percentage allowed them, with the privilege of giving an increased interest, for the purpose of preventing the public creditors from doing, what they had been called upon by the Government to do. And here the Bank is presented as a Treasury agent defeating the most cherished policy of the Government, and at a moment when the payment of the Public Debt, was rendered peculiarly necessary to

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place the Country in an attitude most propitious to the adjustment of a Revenue System, upon a basis to preserve the peace and union of the states. In such a scheme as this the Bank is found employing foreign Agents and paying them in part out of the money of the Government, held as a stockholder in the Bank.

It has always been a favorite maxim with the American people, to form no “entangling alliances” to draw them within the vortex of European policy. But if the Government of the Bank can already venture to bring in, the great Bankers of Europe as its allies in controlling the affairs of this Republic, it appears to the President, that a new era may possibly arise in the progress of a few years in which the capitalist abroad may have an influence over the destinies of this country akin to that exercised by them in the States beyond the Atlantic. The conduct of an American administration may not only be subjected, to the control of its own citizens, entrusted as a corporate body with the management, of its finances, but through them to the influence of the foreign Capitalists, with whom they may have identified their interests. If the managers of the national Bank can now employ the credit of the Bankers abroad to arrest the measures of the present administration, why may not the European Bankers, on some other occasion, exert the power of the United States Bank, to frustrate designs, which they may deem injurious to them or their country? Suppose a question of peace or war, pending in Congress, is it not possible that the great Holders of stocks abroad, the creditors of nations, might operate on the Bank of the United States associated with them in interests, and through it wield an influence decisive of the question? A few votes sometimes, improperly influenced, might frustrate the will of the nation and subject its rights and honor to disparagement. But if the Representatives of the people should resolve at any time, to vindicate by arms the cause of the country, might the Agent, created to facilitate its operations, combine, as it has now combined, with foreign capitalists in foiling its efforts? Even at this juncture of great prosperity, it has availed itself of an accidental occurrence to tarnish, as far as practicable, the credit of the Government. with the disposition thus evinced to oppose the views and impair the credit of Government, it might in a period of adversity and war, if permitted to enjoy its present

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connexion with the financial system of the country, give a direction to its own and the power of associated monied aristocracies at home and abroad, completely destructive of the credit and resources of the Treasury.

The managers of the Bank of the United States have already given evidence, that they are as willing to adopt the principles, as they are to avail themselves of the assistance of the European monied domination. It has notoriously introduced the system of influence, which may be said, to resolve all the powers of Government into that of the purse. The Press has been subsidized by the Bank to an extent without an example in any other country, and Editors, distinguished for their opposition to the Bank, have been suddenly converted into zealots in its favor after receiving large loans, from the payment of which some of them have already been exonerated by releases.³ In addition to this regular mode of purchasing the support of the more important presses, large sums have been expended in the printing and in the circulation of pamphlets and Extra newspapers, for the double purpose of operating upon the general and state elections, and of securing the permanent influence of the patronized Presses by the occasional largesses thus bestowed. Even since the last Presidential election, when it might have been supposed, that the decision of the people would have put an end to the electioneering prodigality of the Bank, there is reason to believe that nearly \$40,000 of the money of the Government and the other stockholders have been expended, by the principal Bank alone, on this sort of political Job-printing, and when the discovery was made, as made known to the P. [of the] U. States, the President of the Bank in admitting the fact, justified the course, upon the ground, that the Bank had been assailed, and had a right thus to defend itself.

³ In the margin: “quere—can this be shewn.”

The principle is then avowed, that in the elections, involving the question of the renewal of the Bank charter, its managers have a right to use the money of the nation, and the private stockholders, to control the results. Is this so? Have the Board of Bank Directors a right to wield the force of the corporation, to carry votes to the Polls? Is there any clause of the

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constitution, which authorizes congress to delegate a power, to make such a disposition of the public funds? Or have those entrusted with them, a right to apply them to other purposes, than those specified in the Charter to the business of Banking?

The question of rechartering the Bank is one which does not involve any of its rights, and with which, as a corporation, it cannot properly interfere. It is a question of public, not private interest. Congress, if it have any right to grant a new charter, can do so, only for the sake of the community, and not to satisfy any just claims which the corporation can assert. The pretention, that the Bank as a corporate body may spend the money of the Government and Stockholders in waging a political contest, to secure to them a renewal of privileges and pecuniary advantages, is not only an insult to the community, but a flagrant outrage as it regards the spirit of our Institutions, and an abuse of trust in relation to the Stockholders. If the Stockholders, in their individual character, choose to exert an undue influence over the elective franchise, through the means of their wealth, the difficulty of guarding by law against its corrupting power, is so great, that the rich may always possess themselves of an unequal share of control in the Government. But if the Bank can be lawfully made the instrument of its managers, and Stockholders, to bring to bear in the elections, not only the whole concentrated force of that privileged class among our own citizens, but of foreign subjects associated with them in interests, the equality of the Government must soon be entirely subverted. The vast machinery of the corporation, operating by its Branches and official corps, throughout all the states of the union, and which may everywhere be put simultaneously in motion to effect a particular object, by the secret order of a committee of Directors at Philadelphia, was never designed to confer with its faculties of amassing wealth, for its Stockholders, such facilities for its effectual distribution, for the purpose of incorporating political power, with Banking privileges. The consent of the whole body of Stockholders, thus to divest their profits to an illicit traffic in politics, would not justify the managers of the Bank for such prostitution of its means and perversion of its powers. But when the funds of the Government and the Stockholders are taken secretly and without their consent, (and even without the consent of the board

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of Directors, [)] misapplied, in ministering to such abuses, the public wrong is aggravated by the private injury committed. It is a breach of trust towards the Government and the Stockholders, and to say the least, a malversation as regards their property. The President who considers the interest of the Government as a Stockholder, especially committed to his care, entertains the opinion, that if there were no other reason for removing the public deposits, sufficient cause is found in the bad faith which has been observed towards the Government in relation to its funds as a Stockholder, and the depredation committed on them, from the improper motives to which he has adverted.

The managers of the Bank, however, have not confined the application of the money of the Government and Stockholders, to operate upon the press and the purity of the Elections. When unsuccessful in controlling the suffrages of the intelligent and independent freemen of the country, the system has been pursued in relation to their Representatives, and the influence of the Bank exerted, to induce them to misrepresent the will of their Constituents. The President does not presume that Members of Congress are accessible to this sort of influence, and have abandoned their own principles, their sworn duty to the constitution and their constituents, under its operation, but no one can doubt that the managers of the Bank in furnishing exchange to Members of Congress, without charging them, the premium which its usage requires of others, in making them large loans upon extraordinary terms and upon doubtful securities, and in furnishing means from the funds of the Bank, to enable the President of the Bank to provide them with entertainments, meant to avail themselves, of all the influence, which money can exert, over the actions of men to control the deliberations of congress.

But the extent of the improper influence, exerted by the Bank and the mode of applying it, are only partially known. A few insulated facts only have emerged, from the secret proceedings of the two or three individuals, who as a committee controul the confidential transactions of the Bank, to shed light upon them. The Government Directors, have been cautiously excluded from the important committees, through which alone *the extraordinary* business, to which allusion is made, has been conducted. The Exchange Committee,

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which has, against an express rule of the Bank and in violation of the letter and spirit of its charter, assumed the principal duty of the board in the Business of Discounts, is shut to the Representatives of the Government stock. They are not permitted, therefore, it may be presumed to know much in relation to the business of the Branches, when they are thus excluded from participation in the duties of the Board, to which they belong. And yet it may be well conjectured, that the Branches no further removed from scrutiny, and occupying the best positions to subserve the views of the Bank by interposing its influence in favor of its candidates in the different states, have been deeply engaged in those political operations, which incontrovertible proofs, have made manifest to be the policy acted on and sanctioned by the Managers of the principal Bank. From these Branches may it not be supposed, the Attornies, Editors and the other Political Agents of the Institution, who came in immediate contact with the people, receive those supplies, which it is known, the principal Bank affords, to its city Editors and Agents?

There is certainly much to encourage suspicion upon this subject in the concealment which has been perseveringly practised, by the Managers of the Bank and those in its interests. The majority in the late congress, although the application for a new charter was made four years in anticipation of the close of the present charter, at first repelled the proposition to inquire into the condition of the Institution or the manner in which it had been conducted. When, at last, a Committee of Examination, was granted, it was so restricted, as to prevent a full investigation into the state of the Bank; And the application of the Executive for a more complete and extended development of the affairs of the corporation, comprehending the Branches, was defeated by confining the second examination within much narrower limits than the first.

But however desirable it might be, to the American people to obtain a full investigation of the concerns and the course of this monied Government, which contrary to the Genius of all their original Institutions, has veiled its conduct and wielded its power, in secrecy—however useful a perfect exposure of the hidden management of those public agents who have so long acted in privacy and without responsibility to the mass of the community,

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might be, in affording a lesson teaching us, for the future, to adhere to the principles, the purity and simplicity of Republican Government, in the opinion of the President enough is known, to make it his duty, to sever the connexion between the Bank and the Government, as far as he has the legal means to effect it. He knows that the Bank has proved unfaithful as an agent of the Government—that it has been partially, corruptly and dishonestly managed, in reference to the community, the Government, and the Stockholders—that it has attempted to assume a political control and has in violation of its charter, as well as the spirit of all our institutions, applied mercenary means, to act upon the press, the people and their Representatives. From these facts he is deeply impressed with the conviction, that to continue relations between the Government and the Bank which would tend to support its dangerous influence and abuses—which would contribute the public funds to give the Bank a strength, beyond its own intrinsic energy, to defeat the will of the people and to secure a renewal of its Charter and a perpetuation of its power in the Government—would be to promote a result “ *inconsistent with the duration of the happiness and liberties of the people* ”.

Sincerely entertaining these views the President considers, that he would make [*remainder missing*]